



Iowa Department of Human Services

Kim Reynolds
Governor

Adam Gregg
Lt. Governor

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Director

INFORMATIONAL LETTER NO.1893-FFS-D

DATE: March 5, 2018

TO: All Iowa Medicaid Providers

APPLIES TO: Fee-for-Service, Dental

FROM: Iowa Department of Human Services (DHS), Iowa Medicaid Enterprise (IME)

RE: Collection of Outstanding Identified Overpayments

EFFECTIVE: Immediately

Effective February 1, 2018, the IME entered into an arrangement with the Iowa Department of Revenue (IDR) Central Collections Unit to assist in collecting outstanding identified overpayments.

Letters notifying providers of the nature, time period, amount, and due date of identified overpayments will continue to be mailed by the IME units as has been the practice in the past. Any identified overpayments not paid by the due date stated in the letter will be referred to the Program Integrity (PI) Unit.

The PI Unit will issue a sanction to suspend the provider from participation in Medicaid if payment is not received within an additional time period specified in the sanction letter. Under Iowa Administrative Code 441 – 79.2(3)c.(3), this suspension is mandatory. This suspension will require the contracted Managed Care Organizations (MCOs) and Dental Wellness Plan (DWP) carriers to suspend all payments to the provider.

In addition to this suspension, the collection process will be turned over to IDR. Once the outstanding overpayment is referred to IDR, the sanction of suspension will only be lifted upon satisfaction of the outstanding debt.

When an outstanding overpayment is referred to IDR for collection, there are numerous avenues for collection that may be pursued including offsetting income tax refunds or other payments from the state; denying, revoking, or suspending licenses or permits including professional licenses; filing liens against property; issuing wage or bank levies; notifying credit reporting agencies; or taking legal action. After IDR has begun collection activities, no payments may be made to the IME. Providers that receive notices from IDR should make payment arrangements directly with IDR.

If you have any questions, please contact the IME Provider Services Unit at 1-800-338-7909, or email at IMEProviderServices@dhs.state.ia.us.